

looking ahead

..... A monthly report by the National Planning Association on forward-looking policy planning and research — announced, underway, and completed — of importance to the nation's future

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Southern Population in Flux

by E. W. Palmer

Among the many far-reaching changes which have been going on in the South in recent decades none is more fascinating, nor perhaps more significant than the changes in the people themselves. Since the boom days of the late twenties almost every nook and cranny of the Southern region has felt the impact of sweeping economic and social changes - changes which have been moving at such a pace that in a bare two decades they have completely transformed many areas. One of the most important features of these changes has been a great shifting of the population - geographically, economically, and socially. People have been moving off the farms and into industry; out of the country and into the towns and cities; out of the central Southern states and into the peripheral states of Texas, Florida, and Virginia; and in many cases out of the South entirely and into the North and Middle West.

With such a movement and resettlement of people, and the accompanying sharp increase in income, it was inevitable that there should be significant changes in the long-standing relationship between Negroes and Whites in the South. In the face of rapid and fundamental changes it was in many cases impossible to maintain the delicate balance which had long prevailed between the races in economic and social relations. Traditionally a large proportion of the Negroes have been employed in agriculture, an area in which, because of its nature and many decades of experience, relations had been fairly well stabilized. But in the past two decades the farm population of the South has declined by more than a fourth. Naturally many of those leaving the farms were Negroes. It is important to know whether the new economy of the South, with its greater emphasis on industry and commerce, is providing a place for the Negro. One indication that there are problems in this field is provided by the gross figures on population changes. Between 1930 and 1950 the Negro population of the South increased by only

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UN's 8th Birthday October 24, 1953

At least a 25% increase over last year's observations of United Nations Day is forecast by the U. S. Committee for UN Day. Chaired by IBM's president, Thomas J. Watson, Jr., the Committee includes 119 citizen organizations (estimated membership, 40 million). Its purpose is to help local groups plan Oct. 24 activities.

President Eisenhower, thanking the Committee for its efforts in carrying out his UN Day Proclamation, said the UN "still represents man's best organized hope to substitute the conference table for the battlefield. It has had its failures, but it has had its successes. Who knows what could have happened in these past years of strain and struggle if we hadn't had the United Nations?... Where every new invention of the scientist seems to make it more nearly possible for man to insure his own elimination from this globe, I think the United Nations has become sheer necessity."



8 percent compared with an increase of 29 percent in the White population. On the other hand, the Negro population of the remainder of the United States approximately doubled in this same period.

There are numerous compelling reasons why the makers of both private and public policies need answers to the many questions which constantly recur with regard to the fast-changing population of the South. In an effort to provide some of the answers the NPA Committee of the South has undertaken two research projects which are now nearing completion. The first is the series of case studies on Negro employment in Southern industry, which was described briefly in the September Looking Ahead. The second of these is an intensive study of recent population trends.

The Committee is well aware that the subject of Negro employment is highly surcharged with emotions and controversy and for that reason it was long reluctant to undertake a study in this area. In one sense it was inviting trouble, no matter what its findings might be. In another sense it might be argued that any progress or betterment in racial relations which might be under way could be threatened and set back by the mere process of examining it because the examination might stir up controversy. Despite these considerations the Committee was more and more impressed by the lack of any substantial body of reliable and impartial information on conditions which actually prevail in those areas where Whites and Negroes work together. The need for such information - by employers and employees in new and old Southern firms - finally persuaded the Committee to undertake a study.

Dr. Calvin B. Hoover, then director of research for the Committee, and later chairman of research, carefully and rigidly outlined the scope and purposes of the studies, aiming to get as much information and as little controversy as possible. Aided by a grant from the Carnegie Corporation, the project got under way in 1950. No attempt has been made to develop generalizations which would be valid for the whole region. No prevailing conditions or practices are praised or condemned, nor are any recommendations offered. Rather, the purpose is to describe as fully and as clearly as possible, the comparative conditions of employment between Whites and Negroes which

prevailed in the limited areas studied and, if possible, to see what changes had taken place since the period just prior to World War II. In addition, in some of the studies attempts were made to ascertain the effects of minimum wage laws and the unionization of labor on Negro employment. Factual reports on the day-to-day experience in different kinds of plants and areas, it is hoped, will offer useful pointers to other companies which employ Negro workers or may be considering their employment, as well as to labor unions operating in the South.

The first of the studies in this series received wide and favorable publicity in the press - a good indication that the subject is considered one of importance to the nation. It dealt with a situation where the company, International Harvester, is carrying out a clear-cut, company-wide nondiscriminatory policy in three plants started after World War II. Others in the series deal with older plants and varied industrial areas where policies more or less grew like "Topsy."

The Committee recognizes that these few studies are but a start in getting the data needed for a clear understanding of this highly complex problem, made especially difficult by its social and cultural aspects as well as economic factors. However, the hope is that they will stimulate other Southern researchers to study other situations to build up an adequate reservoir of realistic facts and figures.

It seems certain that when the Committee's study of recent population trends is published sometime in 1954 it will throw further light on the subject of Negro employment since it represents by far the most comprehensive treatment of the Southern population ever to be collected into one volume.

Two major aspects of population changes in the region which have long been recognized are being analyzed in detail. These are the rapid urbanization of the population and the heavy outward migration, particularly among the Negroes. Less spectacular, but perhaps no less significant, are the changes which are taking place in the labor force, especially its occupational composition.

The study will include a wealth of statistical data on all the other topics discussed. After a brief but thorough survey of historical

trends, it will concentrate on the decade from 1940 to 1950. There will be analyses of Southern population changes in terms of the movement from rural to urban locations, the influence of metropolitan centers, age and sex composition, racial differences in rates of growth, birth and death rates, composition of the labor force, occupational changes, and the effects of income on population growth.

Some interesting and significant trends are brought to light which state and local officials will want to know about in order to make well-rounded plans for the effective use and full development of their physical and human resources. And these data should be especially useful to industries contemplating new Southern enterprises in judging prospective plant locations and potential markets.

Colonel E. W. Palmer is president of Kingsport Press, Inc., member, NPA Board of Trustees, and chairman, NPA Committee of the South.

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Joint Committee on the Economic Report— Current Program

The September issue of Looking Ahead carried an article on the Council of Economic Advisers, one of the two agencies established by the Employment Act of 1946. The Act also created a Joint Committee on the Economic Report. While the Council of Economic Advisers was designed to advise and assist the President in formulating a coordinated economic program, the Joint Committee was designed to serve as an aid to Congress.

The Joint Committee specifically has the duty to provide guidance for various congressional committees dealing with legislation bearing on economic development and to study means to coordinate programs under the Employment Act. The Joint Committee's chairman is Representative Jesse P. Wolcott (R-Mich.); the vice chairman is Senator Ralph E. Flanders (D-Vt.); staff director is Grover W. Ensley.

Staff studies initiated by the Committee are as follows:

1. Supplements to "Economic Indicators"

Economic Indicators is a monthly publication which presents the most up-to-date current statistical data of major importance (20¢ per copy, \$2 a year from Supt. of Doc., Wash. 25). The Joint Committee staff, in cooperation with the Division of Statistical Standards of the Bureau of the Budget and the Council of Economic Advisers, has in preparation historical tables for the various indicators carrying the data as far back as practicable. For each table there will also be a one-page description of the significance of that particular indicator.

2. Check List of Current Government Studies in Economics and Public Administration

The list will include major studies being undertaken or authorized in both the legislative and executive branches of the Government. It will also cover the work of the special commissions which have been created by recent legislation.

3. A Study of "The Years Between"

The kinds of adjustment the economy may face in the longer run will be dealt with in this study, which will include also an examination of the 1949 recession and how it was overcome.

4. Nation's Economic Budget Projections for Fiscal Year 1955

Background material will be provided by this study which the Committee might use in connection with its review of the President's Economic Report of January 1954.

5. Productivity and Economic Stability

This study will deal with the ways in which the gains of continued increasing productivity in the United States may best be distributed throughout the economy.

6. Federal Financial and Investment Programs

A survey of Government assets and equities in major business-type activities will place special emphasis on loans.

Commissions to Help the President Plan

Several new commissions and committees to aid the Government in formulating public policy have been added to the check list given in the May 1953 Looking Ahead. We will continue to follow them up. The present status and composition of some look like this:

Foreign Economic Policy

On Aug. 7, Congress (in P.L. 215) approved establishment of the executive-legislative Commission on Foreign Economic Policy, suggested by the President, to study our "international trade and its enlargement consistent with a sound domestic economy, our foreign economic policy, and the trade aspects of our national security and total foreign policy" and make appropriate recommendations - budget \$300,000. The Commission's charter meeting was held Sept. 22, and a final report to the President and Congress is expected by March 1954.

Included among the President's 7 appointees are the chairman, Clarence B. Randall, Inland Steel Co.'s chairman, 4 leaders in industry and finance, 1 from labor, and 1 political economy professor. Vice President Nixon appointed 5 Senators, and Speaker of the House 5 Representatives. Charles P. Dake, formerly of the Office of Salary Stabilization, is in charge of administrative matters, with offices in the Dept. of Health, Education, and Welfare, Wash. 25.

(The 7-page letter from Lewis W. Douglas to the President on dollar-sterling relationships, released Aug. 24, has been forwarded to the Commission.)

Government Reorganization

Continuation of the Commission on Organization of the Executive Branch of the Government was ensured by P.L. 108, dated July 10. Former President Hoover again accepted its chairmanship. Members include 5 from private life, 2 from executive agencies, 2 Senators, and 2 Representatives. The Commission will make recommendations on administration, abolition of unnecessary governmental functions, and elimination of nonessential activities which compete with private enterprise. At its initial meeting on Sept. 29 the chairman was authorized to name members of 8 task forces on specific fields. Interim reports are

to be delivered to Congress with a final report due May 31, 1955.

Role of Governments

A 25-member Commission on Intergovernmental Relations, established under P.L. 109 on July 10, will investigate the kind of Federal aid received by state and local governments, the extent of Federal control, the governments' ability to finance necessary activities, and the need for extending Federal aid to other fields. Clarence E. Manion, former dean of the Notre Dame Law School is chairman. There are 7 members from local government and academic fields, 4 governors, 3 Federal officials, 5 Senators, and 5 Representatives.

National Security

The President implemented recommendations of his now-dissolved Committee on International Information Activities, headed by W. H. Jackson, by establishing a new Operations Coordinating Board reporting to the National Security Council. Board members are Walter B. Smith, Under Secretary of State, as chairman; Roger M. Kyes from Defense; Harold E. Stassen, FOA; Allen W. Dulles, CIA; and C. D. Jackson, Presidential Assistant.

After national security policies are developed by the NSC, the Board's duty is to integrate the detailed plans made by executive agencies to carry out those policies. In line with the Jackson committee's report (summarized in a press release of July 8) the specialized Psychological Strategy Board, created in 1951, was abolished.

Agriculture

Replacing previous advisory committees, a new, permanent, 18-member National Agricultural Advisory Commission, to advise the Secretary of Agriculture on farm policies and administration of programs, was created on July 20 by the President. Dean W. I. Myers, Cornell University College of Agriculture, is chairman. Eleven members are "representative" farmers; the balance are commodity specialists, and others from business and finance, academic circles, and a farm woman's group. A "get-acquainted" meeting was held with the Secretary on Sept. 3-5. No recommendations were made public.

Nondiscrimination

A 15-member Government Contract Committee, headed by Vice President Nixon, and including officials of appropriate executive agencies and business, labor, and other private groups, was organized to help strengthen the nondiscrimination policy on Government contracts. Although the Committee will receive and follow up complaints, prime responsibility for obtaining compliance remains with the contracting agency. An organizing meeting was held in Sept., and subcommittees set up to look into complaints and report back to the full Committee on Oct. 19.

Antitrust

Both the laws and their enforcement are the province of the Attorney General's National Committee to Study the Antitrust Laws. Stanley N. Barnes, head of the Justice Department's Antitrust Division, and Professor S. Chesterfield Oppenheim, University of Michigan Law School, are co-chairmen. Members include the Secretary of Commerce, head of the FTC, lawyers, economists, judges, and law professors. In a statement to the American Bar Association on Aug. 27, the co-chairmen called a "fair and effective national antitrust policy" an absolute necessity in a "political and economic democracy."

Housing

Albert M. Cole, Administrator of the Housing and Home Finance Agency is chairman of the Advisory Committee on Government Housing Policies and Programs which is to "identify the proper role of the Federal Government in this field and outline more economical and effective means for improving the housing conditions of our people." Members are from industry, finance, labor, and professional groups. The executive director, W. Herbert Welch, newspaper editor of Buckhannon, W. Va., has offices in HHFA. A report is due by Feb. 1954.

Review of Foreign Assistance

American Foreign Assistance by William Adams Brown, Jr., and Redvers Opie examines U. S. foreign assistance programs and objectives from 1940 - 1953 in Latin America, Europe, the Far East and elsewhere. The study is divided into 6 parts: Parts I and II deal with World War II and postwar assistance; III and

IV with area aid programs; V discusses military assistance and the mutual security program; and Part VI is an over-all appraisal of the past 12 years of foreign aid as a whole and a consideration of its future.

(From: The Brookings Institution, 722 Jackson Pl., N. W., Wash. 6. Aug. 1953. 627 pp. \$6)

Mid-Century Conference on Resources

How can we mobilize our resource base - land and its products, water, minerals, and energy - to support the continuously expanding demands of a growing population and assure sound economic growth and national security?

This basic question, involving some highly controversial issues, will be posed at the first resources conference of its scope since the Conservation Conference assembled in 1908 by President Theodore Roosevelt. It will be a working conference - no formal papers, votes, resolutions. The Conference will not endorse programs or come up with one of its own, but will try to block out areas of agreement and disagreement and, thus, lay the groundwork for private and public policy making. Resources for the Future, Inc. (See December 1952 Looking Ahead) initiated and will run the Conference with Ford Foundation support.

Lewis W. Douglas, chairman of the board of Mutual Life Insurance Co., is chairman of the Conference, which will be attended by an estimated 700 to 800 of the nation's leaders invited from industries devoted to producing, processing, or consuming raw materials; labor and agriculture; conservation organizations; agencies interested in long-range economic development; research scientists; educators; Federal, state, and local governments; and general citizens' groups.

Among members of the NPA Board and Committees participating in the Conference are: Murray R. Benedict; Luther H. Gulick; Allan B. Kline; Murray D. Lincoln; Edward S. Mason; Herschel Newsom; Lithgow Osborne; James G. Patton; Walter P. Reuther; Morris Rosenthal; Beardsley Ruml; Stanley Ruttenburg; Theodore W. Schultz; Boris Shishkin; H. Christian Sonne; William H. Stead; and Earl P. Stevenson.

Norvell W. Page, the Conference director, says an opening session is expected to cover the general outlook for resources, but the bulk

of the work will be done in separate, specialized sections. "Steering committee papers," circulated before the Conference, will sketch the current situation and outlook, select issues of growing importance, and document them in an unbiased manner.

Questions likely to stimulate lively discussion at the Conference are indicated by the sections' titles:

Competing Demands for Use of Land; Utilization and Development of Land Resources; Water Resources Problems; Domestic Problems of Nonfuel Minerals; Energy Resource Problems; World Supply and Availability; Problems in Resources Research; Patterns of Cooperation.

To date, no time has been set for publication of the Conference report, which will include the "steering committee papers" as well as summaries of discussion.

Puerto Rican Farming Gets "Operation Bootstrap"

Puerto Rico is moving ahead on a program to improve its agriculture along with development of business and industry and provision for more adequate housing, education, and health. The U. S. Department of Agriculture released in mid-September the results of a 2-year study, made at the request of and in cooperation with the Commonwealth of Puerto Rico, as a basis for a practicable, over-all program.

Nathan Koenig, in the Office of the Secretary of Agriculture (and also assistant under two previous Agriculture Secretaries), had the active assistance of about 100 Puerto Rican technicians as well as USDA specialists in preparing the report. A wealth of information on present farming patterns and practices (wholly inadequate for the economy's needs) is presented as background for specific recommendations covering the integral elements of an over-all farm program - dealing with land and water use, crops, production practices, marketing and distribution, credit and finance, tax policies, agricultural research and services.

Governor Luis Muñoz Marín, following issuance of the report, said his government is already implementing some recommendations; USDA agencies in Puerto Rico are working, too, on appropriate parts of the program.

This report - like the NPA Business Committee's progress report on Puerto Rico's industrialization program started in 1940 ("Operation Bootstrap" in Puerto Rico, NPA Planning Pamphlet No. 75, \$1) - should provide useful pointers for other areas faced with problems of overpopulation and underdeveloped agriculture.

(A Comprehensive Agricultural Program for Puerto Rico. From: Supt. of Documents, Wash. 25. 1953. 312 pp. \$1.75)

Background for Planning Farm Programs

Murray R. Benedict, Professor of Agricultural Economics at the University of California and a charter member of the NPA Agriculture Committee, is the author of probably the most comprehensive historical survey ever made of the development of American farm policy from colonial times to the present. The study, entitled Farm Policies of the United States, 1790 - 1950: A Study of Their Origins and Development, was published in September by The Twentieth Century Fund. Another Fund study - on recent and current farm programs - is in progress under the direction of Dr. Benedict and will be published in 1954. It will seek to give Americans some idea both of their gains and their losses from the farm programs of the past 20 years and will include a program of constructive policies to deal with agricultural problems in the public interest.

(Farm Policies of the United States, 1790 - 1950: A Study of Their Origins and Development. From: The Twentieth Century Fund, 330 West 42 St., New York 36. September 1953. 548 pp. \$5)

statistically speaking

Economic Behavior in the American Consumer

The Survey Research Center of the University of Michigan, which makes the annual surveys of consumer finances that are sponsored by the Federal Reserve, recently brought out a special study of the influences of consumer attitudes on economic behavior, Consumer Attitudes and Demand, 1950 - 1952. It is

pointed out that the area of discretion in aggregate consumer spending is greater than ever before in our history. This is true because of the excess of incomes over routine expenses in many American families, the widespread ownership of bank deposits and savings bonds, the ease of obtaining installment credit, and the durability of so many goods that enter into the American standard of living. By loosening and tightening their purse strings, consumers can and do exert an important influence on economic trends. Hence it would be of eminent practical and theoretical value if consumer mass psychology could be foreseen.

According to the study, sudden shifts from spending to saving, or vice versa, are influenced primarily by people's attitudes - their opinions about the economic outlook and about past and expected changes in income and prices. It may be possible, it is held, to establish functional relationships between consumer attitudes and action which will permit at least short-range predictions of action from knowledge of current attitudes. Attitudes will have to be measured directly, however, by periodic interview surveys. Even though changes in attitudes are reactions to events, we cannot tell which events will influence people's attitudes and in what ways.

Contributing to our understanding of the effects of consumer attitudes on action, the monograph under discussion offers a case study of the long period of restrained buying and high saving which followed the post-Korean scare-buying waves. Data on attitudes were collected in four sample surveys taken during 1951 and 1952.

The authors found no clear evidence either of a state of "saturation" with durable goods or of any extraordinary motives for saving. Instead, the buying lull seemed to be predominantly an expression of resentment against past price increases, which people felt were unjustified. Only very gradually did this feeling diminish in intensity as they came to realize that prices had more or less stabilized.

On the whole, consumers looked at the relation between prices and business conditions in a way which is different from the producer's point of view. They argued that rising prices curtail purchasing power and that inventories pile up when prices are out of reach, while de-

clining prices enable people to buy more and thereby make the wheels turn. Thus, with the perception of price stability and some expectations of lower prices, there was a shift from the opinion that "times are bad" to the opinion that "times are good."

Though no unusual reasons for saving were discovered, people were almost unanimously in favor of saving, and the desire to save was not weakened by past or expected price increases. Rather, there was confidence that the dollar would retain its value in the long run and hence there was little fear of a permanent depreciation of savings by rising prices.

(Consumer Attitudes and Demand, 1950 - 1952. By George Katona and Eva Mueller. From: Survey Research Center, University of Michigan. September 1953. 119 pp. \$1.50 paper-bound, \$2 cloth-bound.)

Future United States Population

Population projections to 1975 using four alternative assumptions on future birth rates are given in the Census Bureau's Illustrative Projections of the Population of the United States, By Age and Sex: 1955 to 1975. 6 pp. 10¢. Order Current Population Reports, Series P-25, No. 78, from Bureau of the Census, Washington 25.

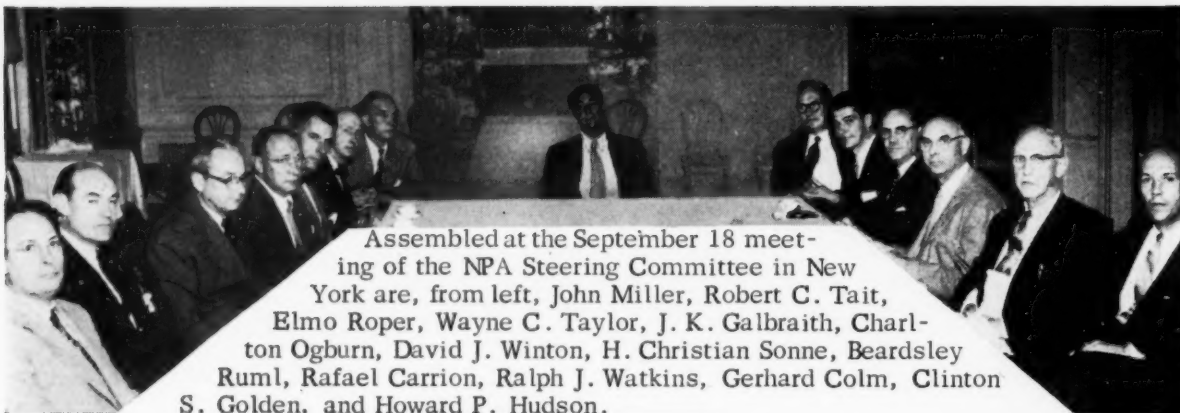
NPA

activities

Progress Report on

Technical Assistance Studies

Work in the NPA appraisal of Technical Assistance in Latin America has gone forward rapidly since the study was announced in the April Looking Ahead. Dr. Theodore W. Schultz, director of research for the TALA project, reports that the first organizational phases are completed. Competent staff specialists in appropriate fields have been recruited - although there will be additions for particular phases of the study. The scope and content of specific inquiries have been determined. Effective working relations have been established with U.S. and UN agencies and with business firms, private foundations, and voluntary - mainly religious - organizations, which provide technical assistance in Latin America.



Assembled at the September 18 meeting of the NPA Steering Committee in New York are, from left, John Miller, Robert C. Tait, Elmo Roper, Wayne C. Taylor, J. K. Galbraith, Charlton Ogburn, David J. Winton, H. Christian Sonne, Beardsley Ruml, Rafael Carrion, Ralph J. Watkins, Gerhard Colm, Clinton S. Golden, and Howard P. Hudson.

Already at work with Dr. Schultz in TALA's Chicago headquarters: Research associates are Dr. Arthur T. Mosher who resigned as head of the Allahabad Agricultural Institute of India to join the project; Dr. George I. Blanksten, on leave from the faculty of Political Science of Northwestern University; Dr. Simon Rottenberg, formerly director of research in the Social Sciences of the University of Puerto Rico; Dr. Alfredo Kraessel, formerly of San Marcos University in Peru and Michigan State College. Research assistants include Miss Marie Moe and Mr. Clifton R. Wharton, Jr., in Chicago and Mrs. Helen Johnson in the Washington office. Special assignments are being carried out by Dr. Anibal Buitron, anthropologist, a native Ecuadorian, on leave as head of the social anthropology section, Pan American Union, and Dr. James Maddox of the International Development Service of New York who has had a key part in development of the Nelson Rocke-

feller projects organized and administered by the American International Association.

An intensive field investigation, designed to try out TALA's general plan of study, was made in Peru during July and August by Doctors Blanksten, Buitron, Kraessel, Mosher, Rottenberg, and Schultz; and a staff report is currently being prepared on their findings. Also during the summer, several of the researchers did some preliminary field work in Bolivia, Brazil, Chile, Colombia, Costa Rico, Ecuador, Guatemala, Mexico, Paraguay, and Uruguay.

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